

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

1031 TAX GROUP, LLC, *et al.*

Debtors.

Chapter 11

Case No. 07-11448 (MG)

(Jointly Administered)

CORDELL FUNDING, LLLP and CORDELL
CONSULTANTS INC., MONEY PURCHASE PLAN,
a Qualified Retirement Plan Trust,

Appellants,

v.

THE 1031 TAX GROUP, LLC; 1031 ADVANCE 132
LLC; 1031 ADVANCE, INC.; 1031 TG OAK
HARBOR LLC; AEC EXCHANGE COMPANY, LLC;
ATLANTIC EXCHANGE COMPANY, INC.;
ATLANTIC EXCHANGE COMPANY, LLC;
EXCHANGE MANAGEMENT, LLC; INVESTMENT
EXCHANGE GROUP, LLC; NATIONAL
EXCHANGE ACCOMODATORS, LLC; NATIONAL
EXCHANGE SERVICES QI, LTD; NATIONAL
INTERMEDIARY, LTD; NRC 1031, LLC; REAL
ESTATE EXCHANGE SERVICES, INC.;
RUTHERFORD INVESTMENT LLC; SECURITY
1031 SERVICES, LLC; SHAMROCK HOLDINGS
GROUP, LLC; and OFFICIAL COMMITTEE OF
UNSECURED CREDITORS,

Appellees.

Case No.

**APPELLANTS' STATEMENT OF ISSUES AND DESIGNATION OF ITEMS TO BE
INCLUDED IN RECORD ON APPEAL**

Cordell Funding, LLLP and Cordell Consultants Inc., Money Purchase Plan, a Qualified Retirement Plan Trust (together "Cordell"), by and through their undersigned counsel, having filed a Notice of Appeal on November 19, 2007, hereby submit the following statement of issues to be presented on appeal and designation of items to be included in the record on appeal in respect of the

Order Approving Agreement to Transfer Interests and Assets for the Benefit of Bankruptcy Estates (the "Order") (Docket No. 825), entered on October 26, 2007.

To the extent necessary, Cordell requests that the District Court consider additional items that were not before the Bankruptcy Court on the grounds that the underlying motion resulting in the Order were not served upon Cordell nor was Cordell named as a party, thereby denying Cordell proper procedural and substantive due process and the opportunity to be heard.

STATEMENT OF ISSUES TO BE PRESENTED ON APPEAL

1. WHETHER THE BANKRUPTCY COURT ERRED BY ENTERING THE ORDER WHICH APPROVES AN AGREEMENT THAT PURPORTS TO TRANSFER ASSETS WHEN THERE WAS A RESTRAINING ORDER IN EFFECT PROHIBITING THE TRANSFER OF ASSETS ENTERED BY THE SUPREME COURT OF THE STATE OF NEW YORK.

2. WHETHER THE BANKRUPTCY COURT ERRED BY ENTERING THE ORDER WHERE THE ORDER DOES NOT ACKNOWLEDGE THAT CERTAIN ASSETS AND NON-DEBTOR ENTITIES ARE SUBJECT TO THE CLAIMS OF APPELLANTS NOR DOES THE ORDER PROTECT APPELLANTS' RIGHTS.

3. WHETHER THE BANKRUPTCY COURT ERRED BY ENTERING THE ORDER WHERE APPELLANTS WERE NOT PROVIDED BASIC PROCEDURAL AND SUBSTANTIVE DUE PROCESS, INCLUDING BUT NOT LIMITED TO BEING NAMED AS A PARTY, SERVICE OF PROCESS, OR NOTICE, AND THE UNDERLYING ORDER PURPORTS TO IMPACT APPELLANTS' RIGHTS IN CERTAIN ASSETS AND AGAINST NON-DEBTORS.

4. WHETHER THE BANKRUPTCY COURT ERRED BY SUBSTANTIVELY CONSOLIDATING NON-DEBTORS' ASSETS WITH THE DEBTORS' ESTATES, WITHOUT REGARD FOR OR PROTECTION OF APPELLANTS' RIGHTS AS CREDITORS AGAINST

SUCH NON-DEBTORS AND THEIR ASSETS WITHOUT SERVICE OF APPROPRIATE ADVERSARY COMPLAINT, PROCESS, AND NOTICE.

DESIGNATION OF ITEMS TO BE INCLUDED IN RECORD ON APPEAL

<u>Court</u>	<u>Case or Index No.</u>	<u>Docket No.</u>	<u>Description</u>
Bankruptcy	07-11448	736	Joint Motion for Approval of Agreement to Transfer Interests and Assets for the Benefit of Bankruptcy Estates
Bankruptcy	07-11448	825	Order Signed on 10/26/2007 Granting Motion to Approve Agreement to Transfer Interests and Assets for the Benefit of Bankruptcy Estates
Bankruptcy	07-11448	845	Transcript of Hearing Held on October 23, 2007 at 10:01 AM, Re: Joint Motion for Approval of Agreement to Transfer Interest and Assets for the Benefit of Bankruptcy Estates; Amended Motion for Approval of Rule 9019 Agreement Between Certain Debtors, Byers Car Rentals, LLC and North Star Deferred Exchange Corp.; Motion to Appoint a Trustee, or in the Alternative to Terminate Exclusivity; Motion of 1031 Exchange Parties for an Order Appointing a Chapter 11 Trustee; U.S. Trustee's Motion for Order Directing the Appointment of a Chapter 11 Trustee or in the Alternative Conversion of the Case to Chapter 7, etc...
Bankruptcy	07-11448	847/862	Transcript of Hearing Held on October 12, 2007 @ 2:00 p.m. Re: Further Argument Re: The Impact of Recent Developments Disclosed in the October 3, 2007 Letter From Dreier to the Court Relating to the Chapter 11 Petitions Filed by Three Okun Entities
Bankruptcy	07-11448	861	Transcript of Hearing Held on October 26, 2007 at 11:05 am. Re: Joint Motion for Approval of Agreement to Transfer Interest and Assets for the Benefit of Bankruptcy Estates Filed by Paul Traub

Bankruptcy	07-11448	869	Notice of Appeal of Order Approving Agreement to Transfer Interests and Assets for the Benefit of Bankruptcy Estates
Bankruptcy	07-3069	1	Complaint against Cordell Funding, LLLP, Greenwich Capital Financial Products, Inc., Wachovia Bank National Association, Boulder Holdings VI, LLC, Boulder Holdings IX, LLC, Valley National Bank, Westheimer Mall, LLC, JPS Capital Partners LLC, Kluger, Peretz, Kaplan & Berlin P.L., Ninety-Eight Aviation, LLC, Marquette Transportation Finance, Inc.
Bankruptcy	07-3069	8	Amended Complaint against all defendants (adding defendant Troy Reinert d/b/a Reinert Construction)
New York Supreme	603472/07	N/A See Exhibits 1 through 1A annexed hereto	Affirmation of Douglas E. Spelfogel, Esq. in Support of Ex Parte Motion for Attachment and Appointment of Receiver
New York Supreme	603472/07	N/A See Exhibits 2 through 2L annexed hereto	Index of Exhibits
New York Supreme	603472/07	N/A See Exhibit 3 annexed hereto	Order dated October 22, 2007, together with Affidavit of Service on Edward Okun, Affidavit of Service on IPofA 5201 Lender, LLC, Affidavit of Service on Simone Condo I, LLC, Affidavit of Service on Simone Condo II, LLC, Affidavit of Service on Crossroads Transportation & Logistics, Inc., Affidavit of Service on Investment Properties of America, LLC, Affidavit of Service on Sam Trustee Services, LLC and October 22, 2007 e-mail from Douglas Spelfogel, Esq. to Michael Seese, Esq., Steven E. Fox, Esq., Thomas Weber, Esq., Richard Bernard, Esq., Elyssa Kates, Esq., and Andrew Drogen, Esq. attaching Order dated October 22, 2007

Cordell respectfully reserves its rights to supplement and amend the items designated herein.

Dated: New York, New York
November 29, 2007

BAKER & HOSTETLER LLP

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a Qualified Retirement Plan Trust*

By /s/ Richard J. Bernard.

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